



October 4, 1999

REQUEST FOR PROPSAL (RFP)
Office of Statewide Health Planning and Development's (OSHDP's)
Medical Information Reporting for California (MIRCal) System

To All Interested Bidders:

This Request for Proposal (RFP) OSHPD-9004 has been developed for the State of California, Office of Statewide Health Planning and Development's (OSHDP's) Medical Information Reporting for California (MIRCal) System procurement project. The RFP covers the full implementation of the MIRCal System. The MIRCal System is broken into two components: The *Core System* and the *Expanded Phase*. The *Core System* is the full design, development and implementation of a system to collect patient information from hospitals, validate/verify the information received, and to make that information available. The *Expanded Phase* would add to the core system by accepting patient information from emergency rooms and ambulatory surgery centers. This phasing of implementation addresses the legislative requirements as outlined in Chapter 735, 1998.

The State requires system integration services to:

1. Design and implement a system and/or services to meet the agency's business requirements
2. Integrate the system into the agency's business and technology environment
3. Assist with planning and implementing changes in business processes, operating procedures, organization, staffing and skill sets; and
4. Manage the Contractor's efforts under the direction of the State's MIRCal Project Manager.

This procurement is based on the State's alternative procurement model and is intended to provide a "best value" solution. Bidder's are required to propose a "business solution" that addresses not only a technology solution, but also how the technology solution will impact the business areas, in terms of changes to business processes, organization, staffing, services and overall cost/benefit. Bidder's may suggest re-engineering of business processes in support of the new system, and are encouraged to architect a solution that makes the most efficient use of state resources. Unlike a traditional competitive State procurement, the requirements presented in the RFP are based on business needs and are not geared towards a specific technical solution.

Another aspect of the State's alternative procurement model is the flexibility of the process. The alternative procurement model provides for open communication with the Bidders throughout the process. The State may modify the RFP (through the use of addenda) in response to information provided by Bidders. This flexibility ensures that the procurement results in the best possible solution for the State and the fairest possible process for the Bidders.

This procurement is composed of two stages: 1) The Compliance Stage — consisting of a Detailed Technical Proposal (and revisions), as well as Confidential Discussions; and 2) The

Final Stage — consisting a Draft Bid (and revisions), as well as Confidential Discussions, and a Final Bid. Although the Final Bid is a mandatory step, all Bidders are strongly encouraged to follow all the scheduled steps of this procurement to increase the chance of submitting a compliant Final Bid. These steps are identified in Section I.H, Key Action Dates, which include:

1. Technical Proposals due in early November 1999
2. Draft Proposals due in mid January 2000
3. Final Proposals due mid March 2000

Technical Proposals will be closely reviewed by the State. The State is not asking Bidders to provide operation costs; The procurement covers costs for development, integration, implementation and maintenance of the MIRCal system. Based upon the information received during the Technical Proposals, the State may require suppliers to provide additional information. This may include actual operation costs or information that will allow the state to determine the magnitude of operation costs for evaluation purposes.

Bidder's Final Proposals must specify a system configuration that will adequately meet all of the business requirements and Service Level Objectives defined in the RFP. If it is determined, at any point during the operation of the system, that the Bidder's original system configuration was not adequate to meet these requirements, the vendor will be held contractually responsible for any augmentations or upgrades to their original system configuration.

After evaluation of all proposals an "Apparent Selected Bidder" will be determined. The contract award for the core system phase will be made after all necessary control agency approval of the selected proposal, including a follow-up Feasibility Study Report (FSR). The contract award for the expanded phase will be an option that may be exercised by the state contingent upon the successful performance and delivery of system components during the core system phase.

The MIRCal system represents the first steps on a path that will lead to the statewide electronic information sharing of healthcare information. It expands OSHPD's role in building consensus across a broad spectrum of healthcare stakeholders on issues of information technology. OSHPD will play a critical role in the State's leadership in facilitating the improvement of California's healthcare data infrastructure. Senate Bill 1973 also requires the Office to develop and submit to the legislature, prior to June 30, 2001, a plan to achieve the goal of electronic data interchange between and among healthcare facilities, health plans, providers and other state agencies in California

Sincerely,



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Attachments: 1. MIRCal RFP
2. Bidder's Conference Flyer